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# **GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED**



**1958**

**ANNUAL REPORT**



GYPSUM PLANT (GYPROC) CALEDONIA, ONTARIO.







# GYP SUM, LIME AND ALABASTINE, CANADA, LIMITED

## DIRECTORS

- \* C. GORDON COCKSHUTT, *Brantford, Ontario*  
*Chairman of the Board and President, Cockshutt Farm Equipment Limited*  
*Director, Imperial Bank of Canada*  
*Director, The Bell Telephone Company of Canada: Director, Toronto General Trusts Corp.*
- R. A. BRYCE, *Toronto, Ontario*  
*Chairman of the Board and President, D. A. Stuart Canadian Oil Company, Limited*  
*President, Macassa Mines Ltd.*  
*Director, National Trust Company Limited: Director, Toronto-Dominion Bank*
- R. W. COOPER, *Hamilton, Ontario*  
*President, Cooper Construction Company: Vice-President, N. Slater Co. Ltd.*  
*Director, Mutual Life Assurance Co. of Canada*
- \* S. G. DIXON, Q.C., *Montreal, Quebec*  
*Chairman of the Board, Courtaulds (Canada) Limited: Director, The Royal Trust Company*  
*Member, Dixon, Senecal, Turnbull, Mitchell & Stairs*
- G. H. DOBBIE, *Galt, Ontario*  
*President, Stauffer-Dobbie Limited: Newlands & Co. Limited*  
*Director, Waterloo Trust and Savings Company: Director, Slingsby Manufacturing Co. Ltd.*
- \* P. N. GROSS, *Toronto, Ontario*  
*President, Gypsum, Lime and Alabastine, Canada, Limited*
- R. T. HAGER, *Vancouver, B.C.*  
*President, The Canadian Fishing Company, Limited: Director, Crown Zellerbach, Canada, Limited*
- \* W. N. HALL, *Montreal, Quebec*  
*President, Dominion Tar and Chemical Company, Limited: Director, Howard Smith Paper Mills Limited*
- J. H. ROBINSON, *Toronto, Ontario*  
*Executive Vice-President, Gypsum, Lime and Alabastine, Canada, Limited: Director, Age Publications Limited*
- E. P. TAYLOR, C.M.G., *Toronto, Ontario*  
*Chairman of the Board, Dominion Tar and Chemical Company, Limited*  
*President, Argus Corporation Limited*  
*Chairman of the Board, Canadian Breweries Limited*  
*Chairman of the Board, British Columbia Forest Products Limited*

\* *Members of the Executive Committee of the Board*

## OFFICERS

- C. GORDON COCKSHUTT, *Chairman of the Board*  
PHILIP N. GROSS, *President*  
S. G. DIXON, Q.C., *Vice-President*  
J. H. ROBINSON, *Executive Vice-President*  
K. P. HAYES, *Secretary-Treasurer*

## BANKERS

BANK OF MONTREAL

## TRANSFER AGENTS

MONTREAL TRUST COMPANY, *Toronto, Montreal, Vancouver*

## REGISTRAR

NATIONAL TRUST COMPANY, LIMITED, *Toronto, Montreal, Vancouver*

## AUDITORS

CLARKSON, GORDON & CO.

**GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED**

**1958**

## **ANNUAL REPORT**

*of the Board of Directors*

**TO THE SHAREHOLDERS:**

Your Directors are pleased to submit the Annual Report of the Company's operations for the fiscal year ended November 30, 1958.

Net Profit for the year, after all charges, was \$2,643,581 or \$2.99 per share. Net Capital expenditures during 1958 amounted to \$1,849,057. Major items of expenditure included acquisition and partial development of a new gypsum quarry at Nappan, Nova Scotia; construction of a new plaster mill at Montreal East to replace an obsolete plant; the construction of a stone pulverizing plant at Beachville, Ontario; construction of a



new warehouse at Caledonia, Ontario, and an increase in board manufacturing equipment at New Westminster, British Columbia.

Capital commitments during 1959 are expected to amount to approximately \$6,000,000. Substantial additions to the Lime plants at Joliette, Quebec, and Hespeler, Ontario, and Gypsum plants at Montreal East, Quebec, Caledonia, Ontario and Calgary, Alberta, are included in this programme.

During the past year, due to a substantial increase in residential construction, your plants operated at peak capacities, which activity reflected favourably in the Company's earnings. At times, we were unable to afford our customers the prompt service which they must receive. Facilities are being expanded as rapidly as possible to overcome this problem.

During 1958, Mr. P. P. Tyler, Past President of your Company, retired from the Board of Directors. Mr. W. N. Hall, President of Dominion Tar & Chemical Company, Limited, was appointed to the Board to fill the vacancy.

It is with deep regret that your Directors record the death of the Honourable C. G. Hawkins, who had been a Director of your Company. Mr. E. P. Taylor, C.M.G., was appointed to the Board to fill this vacancy.

The Board expresses its appreciation to the Officers and Employees whose loyalty and efforts contributed to the successful operation of the Company.

Submitted on behalf of the Board of Directors,

PHILIP NORCROSS GROSS

*President.*



# GYPSUM, LIME AND ALAB

(Incorporated under the laws of Canada)

AND ITS WHOLLY-OWNED SUBSIDIARIES

## Consolidated

### ASSETS

NOVEMBER 30, 1958

(with comparative figures for 1957)

CURRENT ASSETS:	1958	1957
Cash - - - - -	\$ 1,267,854	\$ 992,377
Investment in trust deposits, Government of Canada treasury bills and bonds (approximate market value 1958—\$3,990,000)	4,046,101	2,396,514
Accounts receivable less allowance for doubtful accounts - -	3,075,548	2,498,455
Inventories at the lower of cost or market—		
Raw materials and supplies - - - - -	2,085,437	2,063,501
Finished and in process products - - - - -	633,092	692,069
	<u>\$ 2,718,529</u>	<u>\$ 2,755,570</u>
Prepaid expenses and sundry deposits - - - - -	\$ 84,381	\$ 136,269
Total current assets - - - - -	<u>\$11,192,413</u>	<u>\$ 8,779,185</u>
PROPERTY, PLANT AND EQUIPMENT, AT COST:		
Land - - - - -	\$ 305,515	\$ 324,427
Rock deposits - - - - -	\$ 2,051,349	\$ 2,006,924
Less accumulated depletion - - - - -	1,569,608	1,421,469
	<u>\$ 481,741</u>	<u>\$ 585,455</u>
Buildings, machinery and equipment - - - - -	\$19,511,076	\$17,687,533
Less accumulated depreciation - - - - -	12,287,474	10,746,704
	<u>\$ 7,223,602</u>	<u>\$ 6,940,829</u>
	<u>\$ 8,010,858</u>	<u>\$ 7,850,711</u>
	<u>\$19,203,271</u>	<u>\$16,629,896</u>

\*Note: During 1958, 2,490 shares were issued to employees for a total of \$49,875 under options granted in 1957. As at November 30, 1958 employees held options to purchase 6,810 shares at \$20.03 a share exercisable in equal annual instalments during the three year period ending on June 6, 1961.

### Auditors' Report

To the Shareholders of GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED:

We have examined the consolidated balance sheet of Gypsum, Lime and Alabastine, Canada, Limited, and its wholly-owned subsidiary, Standard Lime Company, Limited, as at November 30, 1958 and the statement of consolidated profit and loss and earned surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures of Gypsum, Lime and Alabastine, Canada, Limited and such tests of the accounting records and other supporting evidences as we considered necessary in the circumstances.

The accounts of Standard Lime Company, Limited, included in the consolidated statements, were examined and reported upon by other independent chartered accountants.



# STINE, CANADA, LIMITED

(Incorporated in the laws of Canada)

STANDARD LIME COMPANY, LIMITED

## Balance Sheet

December 31, 1958

(November 30, 1957)

### LIABILITIES

#### CURRENT LIABILITIES:

	1958	1957
Accounts payable and accrued charges - - - - -	\$ 1,530,090	\$ 1,270,740
Income and other taxes payable - - - - -	1,369,464	689,174
Sinking fund instalment due within one year - - - - -	100,000	—
Total current liabilities - - - - -	\$ 2,999,554	\$ 1,959,914

RESERVE FOR CONTINGENCIES - - - - -	\$ 500,000	\$ 500,000
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#### FUNDED DEBT:

First mortgage and collateral trust bonds—

Authorized \$3,000,000 whereof \$2,000,000 were originally issued

3½% bonds due November 1, 1966 - - - - -	\$ 800,000	\$ 800,000
Less amount included with current liabilities - - -	100,000	—

	\$ 700,000	\$ 800,000
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#### CAPITAL STOCK AND SURPLUS:

Capital stock—

Authorized:

1,000,000 common shares of no par value

Issued (note\*):

884,306 common shares of no par value

(881,816 at November 30, 1957) - - - - -	\$ 2,284,742	\$ 2,234,867
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Earned surplus - - - - -	12,718,975	11,135,115
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	\$15,003,717	\$13,369,982
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	\$19,203,271	\$16,629,896
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Approved on behalf of the Board:

C. GORDON COCKSHUTT, *Director*

PHILIP N. GROSS, *Director*

In our opinion the accompanying consolidated balance sheet and statement of consolidated profit and loss and earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies as at November 30, 1958 and of the results of their operations for the year ended on that date, according to the best of our information, the explanations given to us and as shown by the books of the company and the audited accounts of the subsidiary.

TORONTO, CANADA, December 30, 1958.

CLARKSON, GORDON & Co.,  
*Chartered Accountants.*





# GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED

AND ITS WHOLLY-OWNED SUBSIDIARY STANDARD LIME COMPANY, LIMITED

## Statement of Consolidated Profit and Loss and Earned Surplus for Year Ended November 30, 1958

(with comparative figures for the year ended November 30, 1957)

	1958	1957
Operating profit for the year before deducting the following charges - - -	\$ 7,134,805	\$ 5,313,489
Deduct:		
Depreciation and depletion (note 1) - - - - -	\$ 1,728,274	\$ 1,395,499
Past service pension cost (note 2) - - - - -	293,408	66,909
Interest on funded debt - - - - -	28,000	31,784
Remuneration of executive officers and legal fees - - - - -	84,672	88,355
Directors' fees - - - - -	10,500	9,750
	\$ 2,144,854	\$ 1,592,297
Less income from investments - - - - -	90,630	50,515
	\$ 2,054,224	\$ 1,541,782
Profit before income taxes - - - - -	\$ 5,080,581	\$ 3,771,707
Deduct income taxes - - - - -	2,437,000	1,702,000
Net profit for the year - - - - -	\$ 2,643,581	\$ 2,069,707
Add earned surplus at the beginning of the year - - - - -	11,135,115	10,122,549
	\$13,778,696	\$12,192,256
Deduct dividends paid at \$1.20 per share - - - - -	1,059,721	1,057,141
Earned surplus at the end of the year - - - - -	\$12,718,975	\$11,135,115

Notes: 1. Additional depreciation of \$300,000 was charged to operations in 1958 because of the high level of plant production maintained during the year.

In the fiscal periods 1954 to 1958 inclusive a total of \$534,000 of depreciation has been claimed for tax purposes but has not been recorded in the accounts. As a result up to November 30, 1958 approximately \$262,000 income taxes otherwise payable have been postponed to future years.

2. Five years ago the company began funding its past service pension liabilities over a ten-year period. In 1958 the company paid off the balance of this liability which accounts for the substantial increase of the past service pension cost.

## Statement of Consolidated Sources and Uses of Funds

FOR YEAR ENDED NOVEMBER 30, 1958

(figures rounded to nearest \$1,000)

Funds were received from:

Operations—

Net profit for the year - - - - -	\$ 2,644,000	
Add depreciation and depletion—charges to operations not requiring the outlay of funds - - - - -	1,728,000	
		\$ 4,372,000
Proceeds from sale of fixed assets (after deducting profit on sale included in net profit for the year) - - - - -		109,000
Proceeds from the issue of capital stock - - - - -		50,000
		\$ 4,531,000

Funds were used to:

Purchase fixed assets - - - - -	\$ 1,998,000
Provide for next year's sinking fund instalment - - - - -	100,000
Pay dividends - - - - -	1,060,000
Increase the company's working capital - - - - -	1,373,000
	\$ 4,531,000



## TEN YEAR COMPARATIVE FINANCIAL SUMMARY

YEAR	Current Assets	Current Liabilities	Working Capital	Net Additions To Fixed Assets	Fixed Assets	Accumulated Depreciation Depletion	Funded Debt	Reserve for Contingencies	Income Taxes	Net Profit Per Share	Dividends Paid Per Share	Earned Surplus
1958	\$11,192,413	\$2,999,554	\$8,192,859	\$1,849,056	\$21,867,940	\$13,857,082	\$ 700,000	\$500,000	\$2,437,000	\$2,643,581 †2.99	\$1,059,721 †1.20	\$12,718,975
1957	8,779,185	1,959,914	6,819,271	1,781,678	20,018,884	12,168,173	800,000	500,000	1,702,000	2,069,707 †2.35	1,057,141 †1.20	11,135,115
1956	8,298,317	2,017,597	6,280,720	2,456,455	18,237,206	10,795,162	900,000	500,000	1,632,000	2,058,611 †2.34	1,056,103 †1.20	10,122,549
1955	9,105,886	2,313,792	6,792,094	1,683,219	15,780,751	9,843,630	1,000,000	500,000	2,059,000	2,263,079 5.14	1,056,103 2.40	9,120,041
1954	7,944,063	1,726,552	6,217,511	1,268,480	14,097,532	8,784,009	1,000,000	500,000	1,430,000	1,662,091 3.78	880,086 2.00	7,913,065
1953	7,633,030	1,749,013	5,884,017	846,015	12,829,052	7,958,949	1,000,000	500,000	1,555,000	1,613,910 3.67	880,086 2.00	7,131,060
1952	7,186,626	1,699,514	5,487,112	1,123,740	11,983,036	7,164,122	1,300,000	500,000	1,172,000	1,132,878 2.57	880,086 2.00	6,397,236
1951	6,899,449	1,919,970	4,979,479	604,307	10,859,297	6,219,535	1,400,000	300,000	1,625,000	1,613,234 3.67	704,068 1.60	6,344,444
1950	5,782,585	1,790,339	3,992,246	665,416	10,427,840	5,496,638	1,500,000	300,000	1,228,000	1,762,194 4.00	616,060 1.40	5,435,278
1949	4,450,913	1,521,222	2,929,691	1,429,004	9,762,424	4,840,477	1,600,000	300,000	928,000	1,390,037 3.15	550,053 1.25	4,289,144

†Dividends and Net Profit per share expressed in terms of new shares which were subdivided on a basis of 2 for 1 during 1956.





## GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED

### HEAD OFFICE GYPSUM HOUSE

50 Maitland Street, Toronto, Ontario

W. E. ARMSTRONG  
*General Manager*  
*Construction Materials Division*  
I. M. HAGAN  
*Production Manager*  
*Construction Materials Division*  
I. J. LINDSAY  
*Marketing Manager*  
*Construction Materials Division*  
J. A. GRAHAM  
*Sales Engineer*  
*Construction Materials Division*  
J. R. CUDMORE  
*Advertising & Promotion*  
L. F. PETERS  
*Head Office Accountant*  
J. E. PININGTON  
*Internal Auditor*

D. C. NICKLE  
*General Manager*  
*Industrial Materials Division*  
W. G. SMITH  
*Production Manager*  
*Industrial Materials Division*  
D. R. ELWOOD  
*Purchasing Agent*  
D. W. L. FAIRBAIRN  
*Chief Plant Engineer*  
R. HUTCHISON  
*Traffic Manager*  
J. B. O'REILLY  
*Industrial Relations*  
W. G. GREENLEY  
*Plant Accountant*  
D. J. KIMPSON  
*Credit Manager*

### DISTRICT OFFICES

BRITISH COLUMBIA  
1105 West Pender St., VANCOUVER  
W. M. TULLY  
*Area Manager*  
R. H. TUCKER  
*Construction Materials Sales Manager*  
A. M. STEWART  
*Industrial Materials Sales Manager*  
J. DUNCAN  
*B.C. Area Accountant*

PRAIRIES  
Sargent & St. James Sts., WINNIPEG  
D. MACAULAY  
*Area Manager*  
W. S. ARMSTRONG  
*Construction Materials Sales Manager*  
J. G. H. WOOLLEY  
*Prairies Area Accountant*

NEW WESTMINSTER, B.C.  
Plaster Mill and Wallboard Plant  
H. F. MCGILL  
*Plant Manager*  
CALGARY, ALTA.  
Plaster Mill and Gyproc Wool  
Insulation Plant  
S. EVANS  
*Superintendent*  
WINNIPEG, MAN.  
Plaster Mill and Wallboard Plant  
D. A. HADDY  
*Plant Manager*  
GYPSUMVILLE, MAN.  
Gypsum Quarry  
J. BENNET  
*Superintendent*

BLUBBER BAY, B.C.  
A. PITT  
*Plant Manager*  
GRANVILLE ISLAND, B.C.  
F. ILOTT  
*Superintendent*  
BEACHVILLE, ONT.  
W. T. UNSWORTH  
*Plant Manager*  
J. H. ROBINSON JR.  
*Assistant Plant Manager*  
HESPELER, ONT.  
L. BUTTERWORTH  
*Plant Manager*  
MILTON, ONT.  
G. BLACK  
*Superintendent*

PARIS, ONT.  
L. C. LYMBURNER  
*Superintendent*

CALEDONIA, ONT.  
M. C. HALLER  
*Director of Research & Development—*  
*Gypsum*  
J. F. WHITEHEAD  
*Quality Control Supervisor—Gypsum*  
J. E. GILLESPIE  
*Product Development Manager*

ONTARIO  
50 Maitland St., TORONTO  
H. A. STANDING  
*Area Manager*  
J. G. JOHNSTON  
*Construction Materials Sales Manager*  
W. D. HARGRAFT  
*Industrial Materials Sales Manager*  
QUEBEC  
940 Côte de Liesse Road, MONTREAL  
L. A. PRESSE  
*Area Manager*  
M. HUDON  
*Construction Materials Sales Manager*  
P. E. GARNEAU  
*Industrial Materials Sales Manager*  
J. L. PAYETTE  
*Quebec Area Accountant*  
MARITIMES  
WINDSOR, N.S.  
K. G. EISNER  
*Manager*

CALEDONIA, ONT.  
Gypsum Mine, Plaster Mill, Wallboard  
Plant and Gyproc Wool Insulation Plant  
C. L. DRYDEN  
*Plant Manager*  
MONTREAL EAST, QUE.  
Plaster Mill and Wallboard Plant  
A. L. WEISHAR  
*Plant Manager*  
BADDECK, N.S.  
Gypsum Quarry  
NAPPAN, N.S.  
Gypsum Quarry  
WINDSOR, N.S.  
Gypsum Quarry and Plaster Mill  
S. JOHNSON  
*Superintendent*

JOLIETTE, QUE.  
R. DUBEAU  
*Plant Manager*  
ST. MARC, QUE.  
B. LEVESQUE  
*Superintendent*  
STE. EMELIE, QUE.  
*Sand and Gravel*  
P. E. ALLARD  
*Superintendent*  
MONTREAL, QUE.  
*Sand Lime Brick Plant*  
G. H. CARTIER  
*Superintendent*

TORONTO, ONT.  
Stucco Products Plant  
E. J. EARON  
*Superintendent*

PARIS, ONT.  
J. ERDLEY  
*Director of Research & Development—*  
*Lime*

### GYPSUM MINES, MILLS and QUARRIES

### LIMESTONE QUARRIES and LIME PLANTS

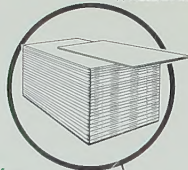
### WATER PAINT and STUCCO PLANTS

### RESEARCH, DEVELOPMENT and QUALITY CONTROL





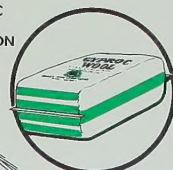
GYPROC WALLBOARD



GYPROC JOINT FILLER and TAPE



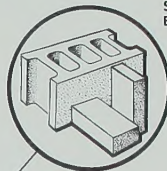
GYPROC WOOL INSULATION



G.L.A. MORTAR MIX



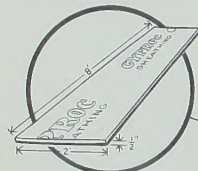
SAND LIME BRICK and BLOCK  
Montreal area only



GYPROC WOOL INSULATION



GYPROC SHEATHING



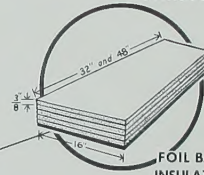
CRYSTALITE EXTERIOR STUCCO and REINFORCEMENT



HOUSE CONSTRUCTION TYPICAL OF WESTERN REGIONS

HOUSE CONSTRUCTION TYPICAL OF EASTERN REGIONS

GYPROC LATH



FOIL BACK INSULATION

PLASTER and FINISHES



G.L.A. MORTAR MIX



G.L.A. WATER PAINTS



CRYSTALITE INTERIOR FINISHES

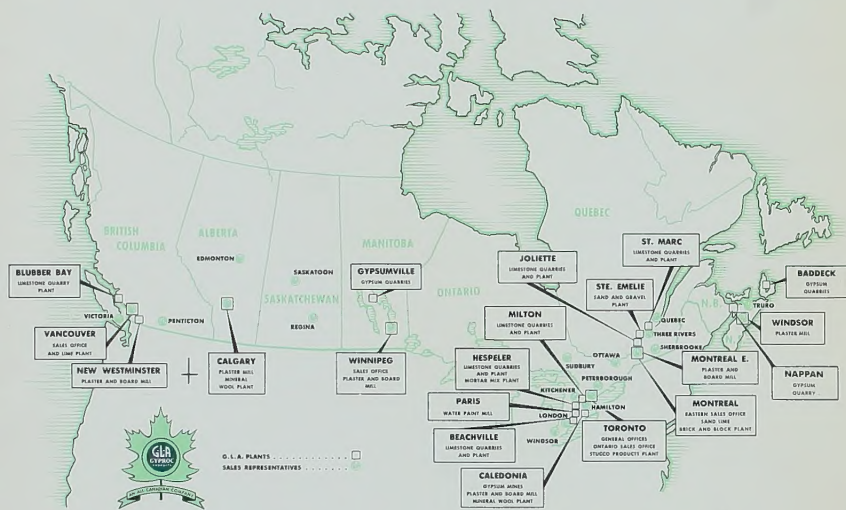


DEKOOSTO ACOUSTICAL PLASTER





## G.L.A. PLANTS AND SALES OFFICES



PLEASE  
PULL  
TAB